

A Community Conversation: Affordable Housing

Overview of Takoma Park's Current
Housing Programming

Housing Policy Statement

“The Takoma Park City Council supports public and private efforts to preserve, protect and develop livable, sustainable, and affordable home ownership and rental housing opportunities throughout the community for all its residents.”

Adopted by Resolution No. 2009-34

June 2009

7.2 %

of the City of Takoma Park's FY15 General Revenue Funds were spent on affordable housing and associated housing programs.

FY15 City of Takoma Park General Funds

\$15,980,056

FY15 Affordable Housing Expenditures

\$1,150,389



Tenant Initiatives

Developed to build the capacity of tenants to have a positive impact where they live and assist in their interactions with their landlords.

- Create tenant associations to enable them to speak with a stronger voice to the landlord and government officials.
- Build tenant leadership teams.
- Encourage broad participation in the tenant association.
- Train tenants to interact with government officials.
- Organize tenants to speak up to better the living conditions in their buildings.

Homeownership

The Tenant Capacity Building Initiative provides tenants with the support needed to:

- Purchase The Building
- Work With Non-Profit Housing Developers
- Secure Pro Bono Legal Assistance

- **TENANT OPPORTUNITY TO PURCHASE** legislation provides tenants with the right to purchase the building where they live as a renter when the property is placed on the market for sale.
- **FIRST TIME HOMEBUYER WORKSHOPS** are provided to educate individuals on the process of purchasing a home and the responsibilities of home ownership.

Housing Preservation

Deferred Maintenance

- The Exterior Home Repair Program provides assistance to income eligible homeowners unable to complete deferred maintenance items
- Priority given to homeowners who are elderly, disabled and/or with minor children in the household.

Home Energy Retrofits

- Provided assistance to income eligible homeowners for energy related improvements
- Improvements included energy audits, insulation, whole-home air sealing and draft reduction, energy efficient light bulbs, low-flow shower-heads and faucet aerators, and hot water pipe insulation
- Program for apartments and condos available in FY17

Tax Assistance Programs

Payment in Lieu of Taxes

- A Payment in Lieu of Taxes (PILOT) provides for a reduction in the amount of local property taxes assessed against approved affordable housing properties.
- Primary means of satisfying local match requirements of the Low Income Housing Tax Credit (LIHTC) program.
- Twelve PILOTS in place in FY15, reducing their property taxes by \$76,500.

Property Tax Rebate Program

- Local property tax rebate provided to income qualified homeowners.
- In FY15, 143 homeowners received an average property tax rebate of \$932 from the City in addition to rebates from the State and County levels.

Licensing and Registration

Owner Occupied Group Homes

Registration of single family homes occupied by the owner and by one or more non-related individuals who pay rent or share in the costs of utilities. The kitchen, bathrooms and common areas are shared by everyone living in the house.

Process requires:

- Registration fee
- Inspection

Homes Registered: 21

Rental Housing Facilities

Annual or biennial inspection and licensing of all rental facilities.

Process requires:

- Per unit license fee
- Landlord Certification
- Lead Certificate or Registration
- Inspection of all licensed units

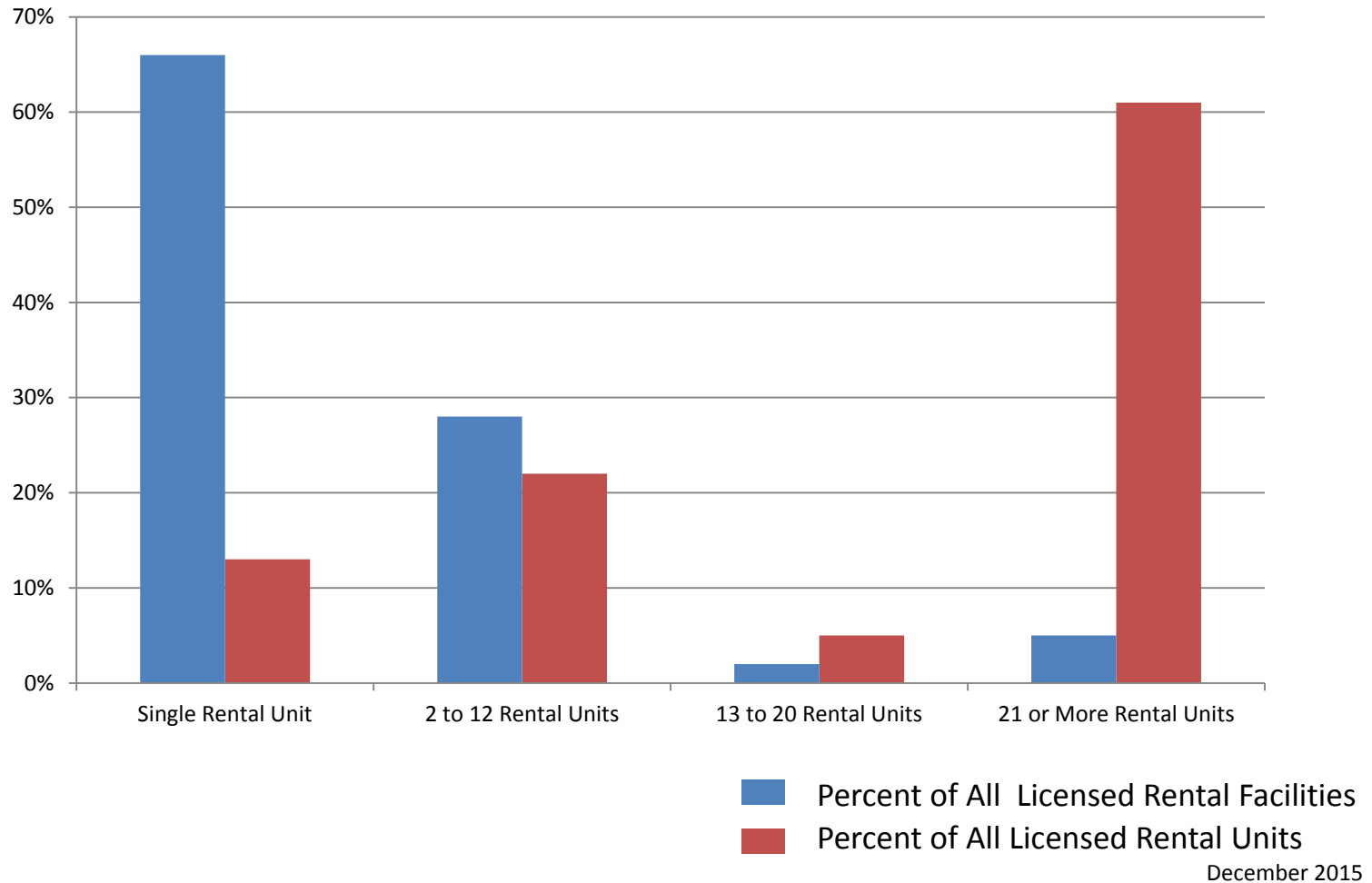
Rental Facilities Licensed: 620

Rental Units Licensed: 3,347

Annual Licenses Issued: 46%

Biennial Licenses Issued: 54%

Rental Housing Licensing



Rental Stabilization

One of the City's primary affordable housing initiatives, **RENT STABILIZATION** is designed to preserve the city's affordable housing stock and maintain economic and ethnic diversity by controlling the frequency and amount of rent increases that may be imposed by a landlord.

RENT INCREASES for existing tenants are limited to 100% of the Consumer Price Index and can not be increased more than once a year.

ADDITIONAL RENT INCREASES may be applied to ensure a Fair Return to the Landlord.

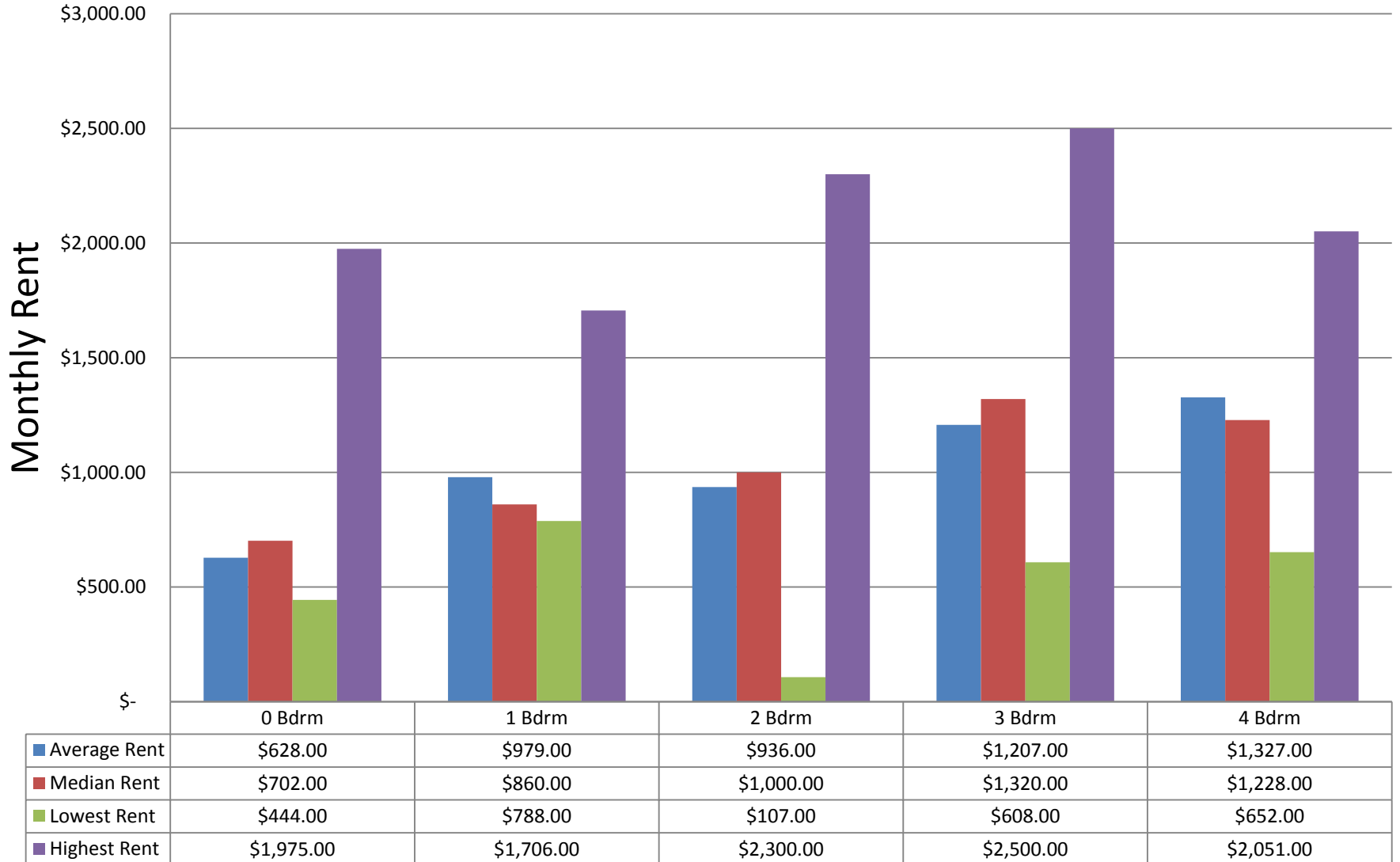
APPLIES to all individual condominium units and multi-family rental facilities. Affordable providers, landlords.

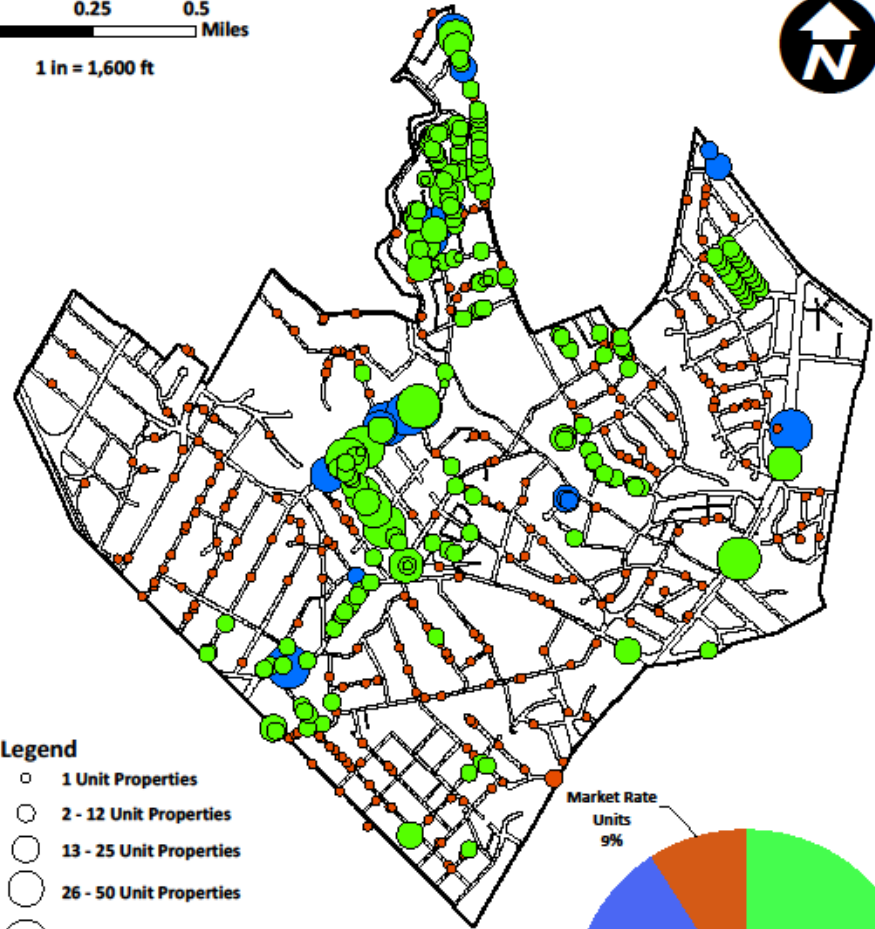
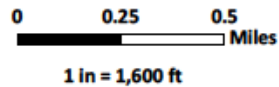
DOES NOT apply to single family houses, accessory apartments, and owner occupied duplexes.

EXEMPTIONS may be provided to affordable housing providers, landlords renting to Income qualified tenants receiving rental assistance and to newly constructed rental facilities.

Rent Stabilized Units: Reported Rents

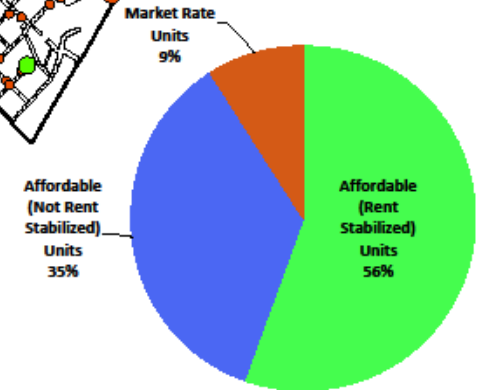
June 30, 2015





Legend

- 1 Unit Properties
- 2 - 12 Unit Properties
- 13 - 25 Unit Properties
- 26 - 50 Unit Properties
- 51+ Unit Properties
- Affordable Properties (Rent Stabilized)
- Affordable Properties (Not Rent Stabilized)
- Market Rate Properties



Rent Stabilized Status of Rental Units

Rent Stabilized Units:
55% of total rental units

Exempt Units:
35% of total rental units

Not Stabilized:
≤0% of total rental units

Definitions

Montgomery County

Income Measures for Household of Four

Area Median Income (AMI)

Annual Income \$109,200

Monthly Housing Costs \$2,730

Moderate Income (80% AMI)

Annual Income \$87,360

Monthly Housing Costs \$2,184

Very Low Income (50% AMI)

Annual Income \$54,600

Monthly Housing Costs \$1,365

Extremely Low Income (30% AMI)

Annual Income \$32,750

Monthly Housing Costs \$818

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- The standard definition for **housing affordability** is that a household should pay no more than 30% of their income for housing, including utilities. The 30% standard can be applied to any income group.
- **Affordable housing** is typically used to describe cost of housing available to families earning less than the area median income (AMI).
- **Housing cost burden** is used to refer to households paying more than 30% of their income for housing.



City of Takoma Park

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